

WASHINGTON -- In his State of the Union speech, President Obama made job creation a priority. And as Congress begins to look ahead to its next round of budget negotiations, the president is laying out a plan that would provide incentives to companies that move their workforce back to the United States.

Obama's proposal would create tax credits for those companies and set aside money each year for firms that create clean energy jobs or finance projects in areas that suffered substantial job losses. Rep. David Price says the plan could work wonders for North Carolina.

"The outsourcing of jobs has hit North Carolina very hard," he said.

As North Carolina's economy sees a dwindling of former staple industries like furniture manufacturing, Price and others say they believe the president's plan will drive new businesses into the state.

"We're bringing on a new generation of American manufacturing and I think the president's proposals will help us do that," said Price.

Scott Paul, executive director of the Alliance for American Manufacturing, says while it isn't going to employ millions of people like it may have in the 1950s and the 1960s, this plan can grow employment.

"We can grow that output and ultimately that benefits all the community where that factory is located," he said.

The plan also reduces the top corporate tax rate to 28 percent. It would be paid for with a minimum tax on the profits of companies with large numbers of employees abroad. That has some manufacturing advocates worried. They say American companies that do business globally will suffer.

"We have to step back and take a look at the tax code from a global perspective. American manufacturers need to be competitive in the global marketplace and that includes being competitive in the United States and in those markets overseas," said Dorothy Coleman, of the National Association of Manufacturers.

Price says he's hopeful Congress can find a compromise.

"We're not trying to micromanage these companies or dictate their decisions. On the other hand, they should have available some tax advantages if they hire Americans, if they invest here, if they keep those jobs here," he said.